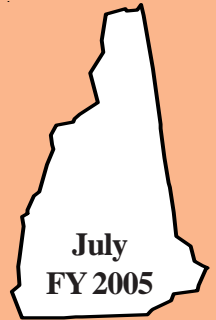


State Of New Hampshire Monthly Revenue Focus

Department of Administrative Services

Commissioner Donald S. Hill



Monthly Revenue Summary

| | <u>FY 05</u> | <u>FY 04</u> | <u>Inc/(Dec)</u> |
|------------------------|----------------|----------------|------------------|
| Gen & Educ | \$ 83.3 | \$ 75.8 | \$ 7.5 |
| Highway | \$ 17.8 | \$ 19.3 | \$ (1.5) |
| Fish & Game | \$ 1.2 | \$ 0.9 | \$ 0.3 |

Current Month Analysis

| General & Education Funds | <i>FY05 Actuals</i> | <i>FY05 Plan</i> | <i>Actual vs. Plan</i> |
|--|-------------------------|----------------------|----------------------------|
| Business Profits Tax | \$ 2.5 | \$ 4.2 | \$ (1.7) |
| Business Enterprise Tax | 7.2 | 5.8 | 1.4 |
| Subtotal | 9.7 | 10.0 | (0.3) |
| Meals & Rooms Tax | 17.4 | 17.2 | 0.2 |
| Tobacco Tax | 8.2 | 8.5 | (0.3) |
| Liquor Sales and Distribution | 9.9 | 9.7 | 0.2 |
| Interest & Dividends Tax | 0.5 | 0.1 | 0.4 |
| Insurance Tax | 0.8 | 0.9 | (0.1) |
| Communications Tax | 6.7 | 5.7 | 1.0 |
| Real Estate Transfer Tax | 17.4 | 11.4 | 6.0 |
| Estate & Legacy Tax | 0.8 | 1.0 | (0.2) |
| Court Fines & Fees | 4.8 | 3.3 | 1.5 |
| Securities Revenue | 0.3 | 0.3 | - |
| Utility Tax | 0.5 | 0.6 | (0.1) |
| Board & Care Revenue | 0.6 | 0.7 | (0.1) |
| Beer Tax | 1.3 | 1.2 | 0.1 |
| Racing Revenue | 0.3 | 0.4 | (0.1) |
| Flexible Grant | - | - | - |
| Other | 2.8 | 2.4 | 0.4 |
| Transfers from Sweepstakes | - | - | - |
| Tobacco Settlement | - | - | - |
| Utility Property Tax | 1.1 | - | 1.1 |
| Property Tax Not Retained Locally | - | - | - |
| Property Tax Retained Locally | - | - | - |
| Subtotal | 83.1 | 73.4 | 9.7 |
| Net Medicaid Enhancement Rev | 0.2 | 0.1 | 0.1 |
| Recoveries | - | 1.3 | (1.3) |
| Subtotal | 83.3 | 74.8 | 8.5 |
| Other Medicaid Enhancement Rev to Fund Net Appropriations | - | - | - |
| Total | \$ 83.3 | \$ 74.8 | \$ 8.5 |

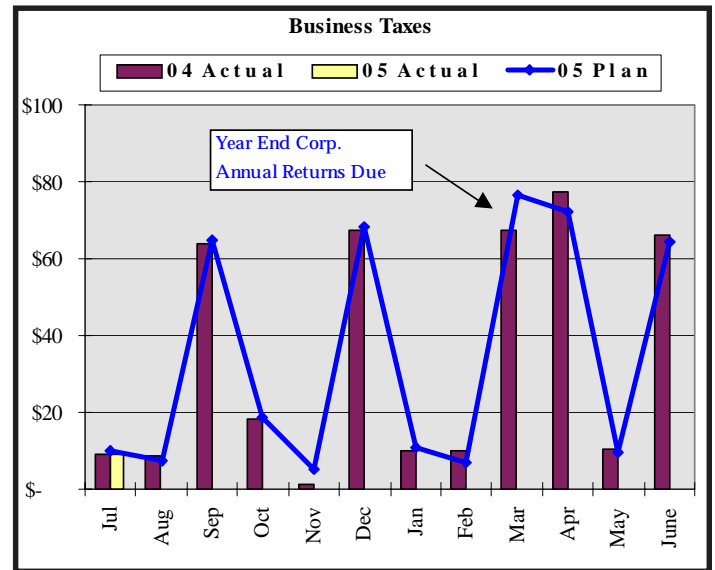
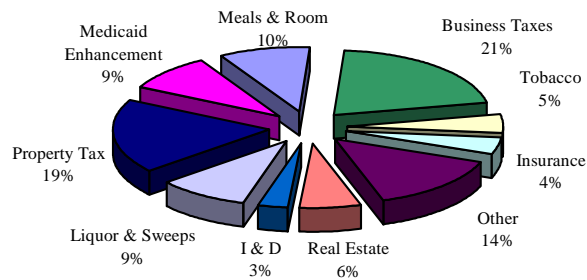
This report is the first Monthly Unrestricted Revenue report for fiscal 2005. Unrestricted revenue for the General and Education Funds for July totaled \$83.3 million, which was above the plan by \$8.5 million and \$7.5 million above prior year. The plan represents a monthly allocation of the official revenue estimates as passed in the State's Biennial Budget approved in September 2003. The fiscal 2005 unrestricted revenue plan, set at \$2,001.5 million, is approximately 5% less than the fiscal 2004 plan, primarily as a result of the phase out of the estate and legacy tax and the one-time flexible grant payments.

The favorable July result was in large part due to the strong performance of the **Real Estate Transfer Tax (RET)**. With continued favorable market conditions and ongoing compliance efforts, the RET brought in \$17.4 million, which was \$6.0 million above plan and \$5.6 million above prior year.

Revenue from **Business Taxes** was \$9.7 million, \$0.3 below plan but ahead of prior year by \$0.7 million. July is a relatively small activity month for companies to file their final returns or estimates. September is the next key month to analyze business tax performance, since traditionally almost 20% of the entire fiscal year collections are received.

Listed below are the current tax rates for fiscal 2005 for the larger tax categories. With the exception of the decrease in the Education Property Tax from \$4.92 per thousand, there were no changes in these rates from last year.

- Business Profits Tax 8.5% (1.5% earmarked to Education Trust Fund).
- Business Enterprise Tax .75% (.50% earmarked to Education Trust Fund).
- Real Estate Transfer Tax \$7.50 per thousand (\$2.50 earmarked to Education Trust Fund).
- Tobacco Tax .52 cents per pack (.15 cents earmarked to Education Trust Fund).
- Communication Tax 7.0%.
- Education Property tax \$3.33 per thousand (Ch 200 L'04-SB302).

Major Unrestricted Revenue Categories**General & Education Funds Comparison to FY 04****Monthly**

| General & Education Funds | FY05 | | FY04 | |
|---|---------|----|---------|-----------|
| | Actuals | | Actuals | Inc/(Dec) |
| Business Profits Tax | \$ 2.5 | \$ | 1.5 | \$ 1.0 |
| Business Enterprise Tax | 7.2 | | 7.5 | (0.3) |
| Subtotal | 9.7 | | 9.0 | 0.7 |
| Meals & Rooms Tax | 17.4 | | 16.5 | 0.9 |
| Tobacco Tax | 8.2 | | 8.8 | (0.6) |
| Liquor Sales and Distribution | 9.9 | | 9.3 | 0.6 |
| Interest & Dividends Tax | 0.5 | | (0.1) | 0.6 |
| Insurance Tax | 0.8 | | 0.8 | - |
| Communications Tax | 6.7 | | 5.9 | 0.8 |
| Real Estate Transfer Tax | 17.4 | | 11.8 | 5.6 |
| Estate & Legacy Tax | 0.8 | | 2.9 | (2.1) |
| Court Fines & Fees | 4.8 | | 3.8 | 1.0 |
| Securities Revenue | 0.3 | | 0.3 | - |
| Utility Tax | 0.5 | | 0.5 | - |
| Board & Care Revenue | 0.6 | | 1.0 | (0.4) |
| Beer Tax | 1.3 | | 1.2 | 0.1 |
| Racing Revenue | 0.3 | | 0.4 | (0.1) |
| Flexible Grant | - | | - | - |
| Other | 2.8 | | 3.7 | (0.9) |
| Transfers from Sweepstakes | - | | - | - |
| Tobacco Settlement | - | | - | - |
| Utility Property Tax | 1.1 | | - | 1.1 |
| Property Tax Not Retained Locally | - | | - | - |
| Property Tax Retained Locally | - | | - | - |
| Subtotal | 83.1 | | 75.8 | 7.3 |
| Net Medicaid Enhancement Rev | 0.2 | | - | 0.2 |
| Recoveries | - | | - | - |
| Subtotal | 83.3 | | 75.8 | 7.5 |
| Other Medicaid Enhancement Rev to Fund Net Appropriations | - | | - | - |
| Total | \$ 83.3 | \$ | 75.8 | \$ 7.5 |

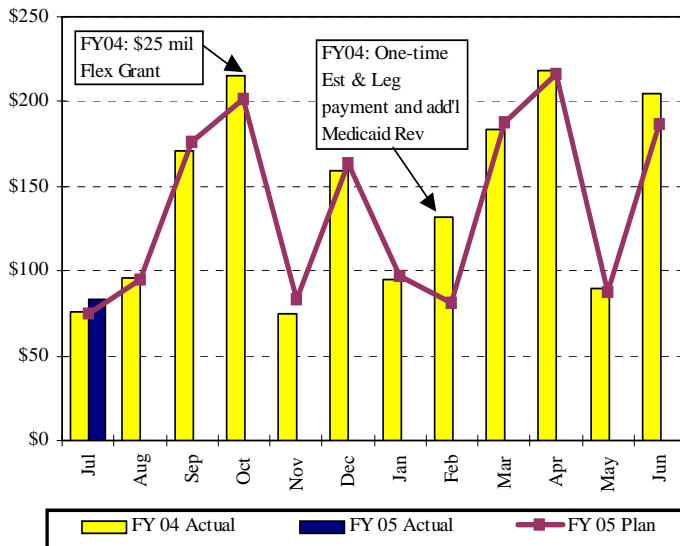
Year-to-Date

| FY05 | FY04 | | % |
|---------|---------|-----------|-----------|
| Actuals | Actuals | Inc/(Dec) | Inc/(Dec) |
| \$ 2.5 | \$ 1.5 | \$ 1.0 | 66.7% |
| 7.2 | 7.5 | (0.3) | -4.0% |
| 9.7 | 9.0 | 0.7 | 7.8% |
| 17.4 | 16.5 | 0.9 | 5.5% |
| 8.2 | 8.8 | (0.6) | -6.8% |
| 9.9 | 9.3 | 0.6 | 6.5% |
| 0.5 | (0.1) | 0.6 | -600.0% |
| 0.8 | 0.8 | - | 0.0% |
| 6.7 | 5.9 | 0.8 | 13.6% |
| 17.4 | 11.8 | 5.6 | 47.5% |
| 0.8 | 2.9 | (2.1) | -72.4% |
| 4.8 | 3.8 | 1.0 | 26.3% |
| 0.3 | 0.3 | - | 0.0% |
| 0.5 | 0.5 | - | 0.0% |
| 0.6 | 1.0 | (0.4) | -40.0% |
| 1.3 | 1.2 | 0.1 | 8.3% |
| 0.3 | 0.4 | (0.1) | -25.0% |
| - | - | - | - |
| 2.8 | 3.7 | (0.9) | -24.3% |
| - | - | - | - |
| - | - | - | - |
| 1.1 | - | 1.1 | - |
| - | - | - | - |
| - | - | - | - |
| 83.1 | 75.8 | 7.3 | 9.6% |
| 0.2 | - | 0.2 | - |
| - | - | - | 100.0% |
| 83.3 | 75.8 | 7.5 | 9.9% |
| - | - | - | - |
| \$ 83.3 | \$ 75.8 | \$ 7.5 | 9.9% |

Year-to-Date Analysis

| General & Education Funds | General | | Education | | Total | | |
|---|---------|---------|-----------|--------|---------|---------|-----------------|
| | Actual | Plan | Actual | Plan | Actual | Plan | Actual vs. Plan |
| Business Profits Tax | \$ 2.5 | \$ 4.2 | \$ - | \$ - | \$ 2.5 | \$ 4.2 | \$ (1.7) |
| Business Enterprise Tax | 7.2 | 5.8 | - | - | 7.2 | 5.8 | 1.4 |
| Subtotal | 9.7 | 10.0 | - | - | 9.7 | 10.0 | (0.3) |
| Meals & Rooms Tax | 16.9 | 16.7 | 0.5 | 0.5 | 17.4 | 17.2 | 0.2 |
| Tobacco Tax | 5.5 | 6.1 | 2.7 | 2.4 | 8.2 | 8.5 | (0.3) |
| Liquor Sales and Distribution | 9.9 | 9.7 | - | - | 9.9 | 9.7 | 0.2 |
| Interest & Dividends Tax | 0.5 | 0.1 | - | - | 0.5 | 0.1 | 0.4 |
| Insurance Tax | 0.8 | 0.9 | - | - | 0.8 | 0.9 | (0.1) |
| Communications Tax | 6.7 | 5.7 | - | - | 6.7 | 5.7 | 1.0 |
| Real Estate Transfer Tax | 11.6 | 7.6 | 5.8 | 3.8 | 17.4 | 11.4 | 6.0 |
| Estate & Legacy Tax | 0.8 | 1.0 | - | - | 0.8 | 1.0 | (0.2) |
| Court Fines & Fees | 4.8 | 3.3 | - | - | 4.8 | 3.3 | 1.5 |
| Securities Revenue | 0.3 | 0.3 | - | - | 0.3 | 0.3 | - |
| Utility Tax | 0.5 | 0.6 | - | - | 0.5 | 0.6 | (0.1) |
| Board & Care Revenue | 0.6 | 0.7 | - | - | 0.6 | 0.7 | (0.1) |
| Beer Tax | 1.3 | 1.2 | - | - | 1.3 | 1.2 | 0.1 |
| Racing Revenue | 0.3 | 0.4 | - | - | 0.3 | 0.4 | (0.1) |
| Flexible Grant | - | - | - | - | - | - | - |
| Other | 2.8 | 2.4 | - | - | 2.8 | 2.4 | 0.4 |
| Transfers from Sweepstakes | - | - | - | - | - | - | - |
| Tobacco Settlement | - | - | - | - | - | - | - |
| Utility Property Tax | - | - | 1.1 | - | 1.1 | - | 1.1 |
| Property Tax Not Retained Locally | - | - | - | - | - | - | - |
| Property Tax Retained Locally | - | - | - | - | - | - | - |
| Subtotal | 73.0 | 66.7 | 10.1 | 6.7 | 83.1 | 73.4 | 9.7 |
| Net Medicaid Enhancement Rev | 0.2 | 0.1 | - | - | 0.2 | 0.1 | 0.1 |
| Recoveries | - | 1.3 | - | - | - | 1.3 | (1.3) |
| Subtotal | 73.2 | 68.1 | 10.1 | 6.7 | 83.3 | 74.8 | 8.5 |
| Other Medicaid Enhancement Rev to Fund Net Appropriations | - | - | - | - | - | - | - |
| Total | \$ 73.2 | \$ 68.1 | \$ 10.1 | \$ 6.7 | \$ 83.3 | \$ 74.8 | \$ 8.5 |

Monthly Unrestricted Revenue



Excluding State Property Tax-Local

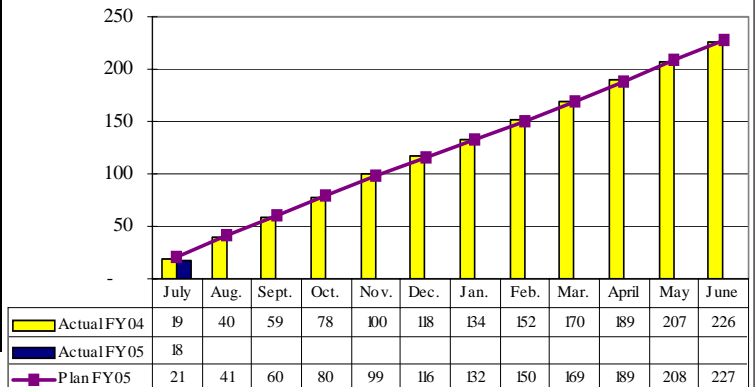
| Education Trust Fund Statement of Activity - FY 2005 July 1, 2004 to July 31, 2004 | |
|--|-------------|
| Description | In Millions |
| Beginning Cash Balance (unaudited) | \$ 6.3 |
| Unrestricted Revenue - See above | 10.1 |
| Transfers from General Fund Appropriations | - |
| Expenditures | |
| Education Grants & Adm Costs | (0.8) |
| Ending Cash Balance | \$ 15.6 |

Year-to-Date Analysis

Highway Fund

| <i>Revenue Category</i> | <i>FY 05 Actuals</i> | <i>FY 05 Plan</i> | <i>Actual vs. Plan</i> |
|---------------------------|--------------------------|-----------------------|----------------------------|
| Gasoline Road Toll | \$ 10.6 | \$ 11.4 | \$ (0.8) |
| Miscellaneous | - | 0.1 | (0.1) |
| Motor Vehicle Fees | | | |
| MV Registrations | 5.3 | 7.5 | (2.2) |
| MV Operators | 0.9 | 1.1 | (0.2) |
| Inspection Station Fees | 0.3 | 0.2 | 0.1 |
| MV Miscellaneous Fees | 0.4 | 0.3 | 0.1 |
| Certificate of Title | 0.3 | 0.2 | 0.1 |
| Total Fees | 7.2 | 9.3 | (2.1) |
| Total | \$ 17.8 | \$ 20.8 | \$ (3.0) |

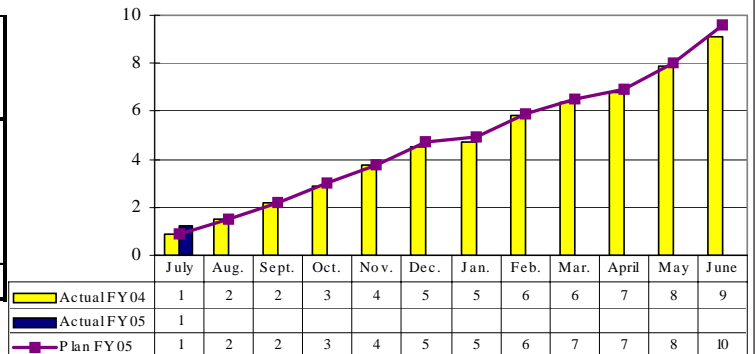
Cumulative Unrestricted Revenue



Fish & Game Fund

| <i>Revenue Category</i> | <i>FY 05 Actuals</i> | <i>FY 05 Plan</i> | <i>Actual vs. Plan</i> |
|-----------------------------------|--------------------------|-----------------------|----------------------------|
| Fish and Game Licenses | \$ 0.9 | \$ 0.8 | \$ 0.1 |
| Fines and Penalties | - | - | - |
| Miscellaneous Sales | 0.3 | - | 0.3 |
| Federal Recoveries Indirect Costs | - | 0.1 | (0.1) |
| Total | \$ 1.2 | \$ 0.9 | \$ 0.3 |

Cumulative Unrestricted Revenue



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